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The Cafta Vote Is About More Than Trade
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When looking back at the 1990s, US lawmakers sometimes play a grim game. They compete to come up with lists of small missteps that helped contribute to the turmoil of the current decade. It was an error when the US failed to dump the Saudis as allies after the first Gulf war. It was an error when Congress failed to give Afghans a choice beyond the Taliban and poppy farming. And so on.

Now just such potential for a misstep confronts the US Congress - regarding an area closer to home. It is the chance to vote into law a trade agreement with five Central American countries and the Dominican Republic.

The Bush administration has already initialled the Central American Free Trade Agreement, or Cafta. The agreement would do something to ensure a prosperous and harmonious Latin America, or as President George W. Bush might express it, a happy neighbourhood for "the homeland".

Yet Congress seems likely to blow a chance once again. Two domestic lobbies, Big Sugar and Big Labour, are blocking Cafta ratification.

The story starts decades back, with the five countries at issue - Honduras, Nicaragua, El Salvador, Guatemala and Costa Rica. The last was a sunny exception, but for the most part, civil wars were ripping the region apart. El Salvador's war lasted 12 years, and Guatemala endured guerrilla war for 36 years. When Americans thought of the region in the 1980s - if they thought of it at all - they thought of Daniel Ortega and his Marxist Sandinistas in Nicaragua.

Some of this turmoil was the result of local conflicts, but much of Central America's suffering had to do with the fact that it was serving as a hot battlefield in the cold war. The US government's behaviour towards the region can, at best, be described as inconsistent, and can only be explained in the context of that pre-1989 conflict with the Soviet Union.

In the past decade and a half, the Central American countries have begun to overcome this dangerous and dramatic history and move towards democracy, freer markets and prosperity. There is also a new understanding that the US is not an imperialist cartoon of a nation. Honduras, Nicaragua, El Salvador and the Dominican Republic even sent troops to support Mr Bush's Iraq war.

But the overall transition of these countries is far from complete. Cafta's economic bonuses are therefore important. For a start, they mitigate new challenges from China in the arenas of textiles and apparel. In addition, Cafta makes permanent and formal the

trade access to the US that these countries already enjoy. Cafta countries would be permitted to export more sugar to the US.

The permissible increase is hardly the death threat the sugar lobby is representing. Cafta countries would be allowed to send to the US about one and a half teaspoons per week per American more than they do now. The average American consumes well over 70 spoonfuls a week. Also important, however, is Cafta's symbolic value. By ratifying the agreement, Congress would show Latin America that it can deliver rewards for progress and friendship.

It seems incomprehensible that domestic lobbies could block Cafta. Yet they may do so. The sugar lobby alone has a grip on Congress that belies the size of its constituency. Some 17 per cent of all political contributions from the agricultural sector come from sugar.

Sugar, unlike some agricultural products, is not harvested in one or two states alone. There are sugar beet growers in the north and midwest and there is cane in the south. This means that a significant number of lawmakers from both parties have made it their duty to protect domestic sugar.

Then there are the anti-Cafta labour forces. They continue to claim generally that reducing trade barriers is bad for the economy. This case is even harder to make than when the debate was over Nafta, not Cafta. More than a decade after the North American Free Trade Agreement, US unemployment is just above 5 per cent.

Even harder to take is unions' argument that they are acting to improve life for the workers of Tegucigalpa or San Salvador. Freer trade will mean cheaper goods for those same workers; and most, one suspects, would rather keep their job than see it vanish to China.

Yet Democratic lawmakers faithfully repeat the unions' duplicitous statements. They have to or they will be "primaryied". This verb refers to organised labour's tactic of punishing disobedient Democrat members by fielding a candidate to compete with them in primary contests for the Democratic nomination.

Yet Cafta's failure could contribute to problems that make a fear of being primaryied look ridiculous. The Cafta countries could still easily revert to the murder-coups-corruption-populism pattern. That has already taken place in Venezuela, Bolivia and Ecuador.

In the Cafta countries, "ordinary people want to know that democracy can deliver a better life," says Bernard Aronson, former assistant secretary of state. They want to know it soon.

To insist that a No on Cafta will yield apocalypse would be histrionic. Still, as US lawmakers have learnt, such votes matter and can be a cause for unspeakable regret.